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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, CHAIRMAN
WILLIAM A. MUNDELL
MARC SPITZER
MIKE GLEASON
KRISTIN K. MAYES

Arizona Corporation Commission

DOCKETED

JUN 15 2005

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AZ CORP COMMISSION
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2005 JUN 15 P 4: 45

RECEIVED

IN THE MATTER OF THE COMPLAINT OF
MOHAVE ELECTRIC COOPERATIVE, INC.
AGAINST UNISOURCE ENERGY
CORPORATION.

DOCKET NO. E-01750A-04-0798
E-04204A-04-0798
E-04230A-04-0798

IN THE MATTER OF THE APPLICATION OF
UNS ELECTRIC, INC. FOR AN ORDER
APPROVING A TRANSFER OF A PORTION OF
A CERTIFICATE OF CONVENIENCE AND
NECESSITY.

DOCKET NO. E-04204A-04-0824
DOCKET NO. E-01750A-04-0824

STIPULATION AND PROPOSED
RESOLUTION BY MOHAVE
ELECTRIC COOPERATIVE, INC.
AND
UNS ELECTRIC, INC.

Mohave Electric Cooperative, Inc. ("Mohave") and UNS Electric, Inc. ("UNS"), by and through their attorneys undersigned, in an effort to avoid the time and expense of a contested hearing and possible litigation, and without waiving any claims they may otherwise have, respectfully jointly stipulate and submit this proposed resolution of the above-captioned dockets.

WHEREAS, on or about August 23, 1994, following receipt of the May 3,

("AEPCO") and North Star Steel ("NSS"), Mohave filed an application for the transfer of a portion of Citizens' CC&N involving a 1,040-acre site near Kingman, Arizona in Sections 4, 5, and 9, Township 20 North, Range 17 West, Mohave County, Arizona (the "NSS Site") where North Star Steel wanted to build a mini-mill steel recycling facility;

WHEREAS, the Commission approved Mohave's application by Decision No. 58798, dated October 14, 1994, and transferred the portion of Citizens' CC&N as described in Exhibit A to Decision No. 58798 to Mohave.

WHEREAS, a plant was constructed on the NSS Site and Mohave met its electric needs through contractual arrangements with AEPCO and the plant owner;

WHEREAS, prior to 2005, Mohave had constructed a distribution system on the NSS Site and secured power from Citizens to serve the electrical needs of all customers, other than the plant, on the NSS Site (i.e., contractors involved with constructing the NSS plant and a trucking operation established on the site);

WHEREAS, in 2004, Central Trucking, Inc. ("CTI") indicated it had a prospective need for electric service on the NSS Site;

WHEREAS, disputes have arisen between Mohave and UNS as to the provision of electric service to CTI and the NSS Site and those disputes have resulted in a the filing of the above captioned Complaint and Application;

WHEREAS, the Commission entered an Emergency Order for Provision of Electric Service (Decision No. 67535) ordering UNS to provide CTI service pending the resolution of these matters; and

WHEREAS, Mohave and UNS believe it is in the public interest to resolve the outstanding disputes as set forth in this Stipulation.

NOW THEREFORE, Mohave and UNS respectfully request that the Commission enter a Decision and Order in the above-captioned matters:

1. Transferring to UNS Electric, contingent upon UNS Electric's payment to Mohave of \$48,070.00¹ for Mohave installed facilities ("Mohave Facilities"),² that portion of Mohave's CC&N granted pursuant to Decision No. 58798, excepting the portion thereof depicted by Exhibit A³ attached hereto (the "Plant Site");
2. Approving the transfer of the Mohave Facilities to UNS;
3. Transferring, without the need of further order of the Commission, the Plant Site, the earlier of:
 - a. December 31, 2010; or
 - b. On the date specified by Mohave in a written notification to UNS Electric and the Director of Utilities that the customer's electric needs no longer can be met by the existing MEC contractual arrangements; such written notification to be provided not less than six calendar months prior to the date specified in the written notice.

1 The \$48,070.00 is composed of the \$67,400 in facilities set forth in Exhibit B depreciated on a straight-line basis with a twenty-five (25) year remaining life using a thirty-five (35) year life span.

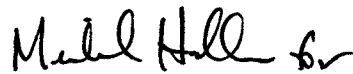
2 All Mohave Facilities are being transferred "As is", and Mohave shall assign or quit claim all easements and rights-of-way to the extent they contain the Mohave Facilities; provided, however, that the transfer of the Mohave Facilities and related easements and rights-of-way shall not take place and UNS shall have no obligation to pay for the Mohave Facilities unless and until any and all necessary approvals, assignments, and/or releases are received from the Rural Utilities Service (RUS) and any other lienholder in relation to the Mohave Facilities.

3 The parties will provide a legal description for the Plant Site prior to the hearing.

4. Dismissing with prejudice all issues raised in Mohave's Complaint and UNS' Application as they relate to the provision of electric service to the NSS Site. Such dismissal shall have no precedential effect whatsoever beyond the NSS Site.

DATED this 15th day of June 2005.

CURTIS, GOODWIN, SULLIVAN,
UDALL & SCHWAB, P.L.C.



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LEWIS & ROCA, L.L.P.



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PROOF OF AND CERTIFICATE OF MAILING

I hereby certify that on this 15th day of June, 2005, I caused the foregoing document to be served on the Arizona Corporation Commission by delivering the original and twenty-one (21) copies of the above to:

Docket Control Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

**With copies of the foregoing hand delivered/mailed
this 15th day of June, 2005 to:**

Jason Gellman, Esq.
Legal Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Ernest Johnson
Director, Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Terrence G. O'Hara
Vice President Western Division
Central Trucking Inc.
P.O. Box 6355
Kingman, AZ. 86401


1234-7-46/Pleadings/Joint Resolution060905

EXHIBIT A

EXHIBIT B

MOHAVE ELECTRIC CO-OP. TEL 928-763-3315

May 20 05 16:07 No.002 P.02



P.O. Box 1045, Bullhead City, AZ 86430

ELECTRIC FACILITIES OFFERED TO UNSLABOR:

778.5 MEC HOURS	35,405.73
TRAFFIC CONTROL	156.00
	\$ 35,561.73

MATERIAL:

TRAFFIC CONTROL SIGNS & EQUIP.		141.12
1500 KVA PADMOUNT TRANSFORMER	1	8,642.50
LEAD HEAD ADAPTER	1	4.09
LARGE PLATE ANCHORS	15	355.48
RISER ARRESTORS	3	233.25
ELBOW ARRESTORS	3	378.54
GUY ATTACHMENTS	11	21.62
POLE EYE PLATE ATTACHMENTS	13	130.07
CARRIAGE BOLTS	8	2.41
UPSET BOLTS	2	5.80
EYE BOLTS	35	108.23
MACHINE BOLTS	106	300.62
CROSS-ARM 28 INCH BRACES	8	18.60
HORIZ. POST INSULATOR BRACKETS	15	129.42
J-10 3 INCH CLEVIS	5	15.46
PRIMARY 1/O CABLE	410'	793.57
DEAD END STRAIGHT CLAMPS	60	558.57
TRUNION CLAMPS	16	87.04
THIMBLE, A-3, CLEVIS	21	86.78
LINE, PREFORM, DEADENDS	23	46.11
SERVICE PREFORM DEADENDS	4	3.15
GUY GRIP PREFORM DEADENDS	48	81.78
SECONDARY K-11 CLEVIS	3	3.91
ANCHOR SHACKLE	1	3.22
ACSR 1/O ALUMINUM	4584'	777.66
ACSR 4/O ALUMINUM	13751'	4,283.92
SOFT DRAWN BARE #6 COPPER	106'	19.47
SOFT DRAWN BARE #8 COPPER	8'	0.98
STRANDED BARE #4 COPPER	102'	27.82
STRANDED BARE 1/O COPPER	20'	12.33
TRIPLEX 1/O CONDUCTOR	132'	82.74
INSULATED #4 COPPER	40'	13.67
H-TAP, ALUMINUM, CONNECTORS	137	102.70

MOHAVE ELECTRIC CO-OP. TEL 928-763-3315

May 20 05

16:07 No.002 P.03

ELECTRIC FACILITIES OFFERED TO UNS

SERVICE ENTRANCE CONNECTORS	15	10.93
TRANSFORMER TANK GR CONNECTOR	1	2.67
HOT LINE CLAMP CONNECTORS	9	56.25
STIRRUP CONNECTORS	9	96.18
LUG CONNECTORS	10	47.26
STEEL CROSSARMS	13	959.69
DISTRIBUTION 8'-10' CROSSARMS	4	136.61
LOAD BREAK CUTOUTS	3	394.36
GROUND SLEEVE	1	248.36
POLE GAIN	1	4.55
MARKER GUYS	12	136.06
BIRD GUARD COVERS	2	9.71
PIN TYPE INSULATORS	9	86.69
HORIZ. 25KV INSULATORS	15	561.52
POST 25KV INSULATORS	13	231.74
SPOOL 2 & 3 INCH INSULATORS	10	10.90
DEAD END RUBBER INSULATORS	60	1,194.73
EXTENSION, FIBERGLASS, LINKS	13	206.07
EYE NUTS	10	13.31
CROSS ARM CLAMP TYPE PINS	3	25.01
RIDGE PINS	5	25.13
POLE BUTT GROUND PLATES	10	25.25
25 FOOT POLE	1	184.12
40 FOOT POLES	2	678.94
45 FOOT POLES	8	3,559.29
50 FOOT POLES	4	2,278.38
55 FOOT POLES	2	1,494.22
ANCHOR 3/4"x8' RODS	12	458.27
GROUND RODS	6	40.49
LAG SCREWS	6	2.18
CABLE RISER 5' SHIELD	3	67.08
PRIMARY CABLE TERMINATORS	3	566.38
POWER CABLE 200 AMP ELBOWS	3	115.28
TRANSFORMER INSERT BUSHINGS	6	272.79
CABLE SUPPORT GRIPS	3	50.20
WRAP LOCK TIES	8	38.72
NEUTRAL TIES	7	14.59
GUY STRAND WIRE	1537'	254.20
SERVICE MAST WIRE HOLDER	1	3.89
	\$	32,032.83

MOHAVE ELECTRIC CO-OP. TEL. 928-763-3315

May 25 05 16:08 No.002 P.04

ELECTRIC FACILITIES OFFERED TO UNS**SALVAGED MATERIAL:**

UPSET BOLT	(1)	(2.63)
EYE BOLTS	(2)	(5.06)
MACHINE BOLTS	(5)	(11.18)
J-10 3 INCH CLEVIS	(2)	(5.83)
SECONDARY K-11 CLEVIS	(1)	(0.95)
TRIPLEX 1/O CONDUCTOR	(165)	(99.83)
HOT LINE CLAMP CONNECTORS	(2)	(11.18)
STIRRUP CONNECTORS	(2)	(28.79)
SPOOL 2 & 3 INCH INSULATORS	(4)	(5.19)
25 FOOT POLE	(1)	(122.41)
SERVICE MAST WIRE HOLDER	(1)	(3.51)
		(\$296.56)

TOTAL WORK ORDER COST:**\$ 67,298.00**